

1 Honorable Timothy W. Dore
2 Hearing date: May 27, 2016; 9:30 a.m.
3 Hearing Place: Room 8106, 700 Stewart Street, Seattle, WA 98101
4 Responses due by: May 20, 2016; by 4:30 p.m.
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8 **IN THE UNITED STATES BANKRUPTCY COURT FOR THE
WESTERN DISTRICT OF WASHINGTON AT SEATTLE**

9 In re:) Chapter 7
10 LEIGH ANN STONE, d/b/a Crybaby) Bankruptcy No. 15-15473
11 Productions LLC, d/b/a Black Mas LLC,) MOTION FOR SALE OF LLC
12 d/b/a Black Mountain LLC, f/d/b/a Crybaby) INTEREST FREE AND CLEAR
13 Studios LLC,) OF LIENS AND INTERESTS
14 Debtor(s).)
15 _____)

16 COMES NOW the duly appointed trustee, Nancy James, through counsel, The Livesey Law
17 Firm, and Rory C. Livesey, and files this motion for an order authorizing the trustee to sell the
18 estate's interest in Crybaby Productions, LLC free and clear of liens and interests.

19 Among the assets listed on the debtor's schedules is a 100 percent interest in Crybaby
20 Productions, LLC. The debtor values her interest in the company at zero. She has also claimed an
21 exemption in the LLC, also valued at zero. The debtor's assets, including her interest in Crybaby
22 Productions, LLC, are subject to a UCC filing in favor of her father, James Sullivan. The security
23 interest was granted within 90 days of the filing of the bankruptcy petition and appears to meet the
24 elements of a preferential transfer under Section 547 of the Bankruptcy Code, or possibly a
fraudulent conveyance under Section 548 and state law. The trustee has not yet investigated any
potential defenses to the claim.

25 Pending approval by the bankruptcy court, the trustee has agreed to sell the estate's 100
percent interest in Crybaby Productions, LLC to Mike McConnell for \$13,500. Mr. McConnell will

**MOTION FOR SALE OF LLC
INTEREST FREE AND CLEAR
OF LIENS AND INTERESTS**
160426jMot Page 1

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1 pay the estate an additional \$5,000 to set aside the security interest in favor of the debtor's father.
2 The total consideration for the sale is \$18,500. The \$5,000 for the avoidance action will be non-
3 refundable. Closing the sale is conditioned upon setting aside the security interest. The sale will
4 be free and clear of liens and interests, with any interest attaching to the sale proceeds.

5 There have been other inquiries regarding the purchase of the estate's interest in Crybaby
6 Productions, LLC. As the party making the first offer accepted by the trustee, Mr. McConnell only
7 need match any higher offer if he wishes to increase his offer. Any new offer will require the \$5,000
8 non-refundable deposit for the time the estate needs to litigate the Sullivan security interest. Any
9 party willing to purchase the estate's interest subject to the father's security interest need not pay
10 the \$5,000 premium. In short, the opening sale price for the interest in Crybaby Productions, LLC
11 is \$13,500. Any party wishing to purchase the estate's interest needs to make an offer exceeding
12 that amount. Any other offers must be made in minimum increments of \$1,000. If the buyer wants
13 the trustee to set aside the UCC filing of the debtor's father, then the non-refundable \$5,000 needs
14 to be paid in addition to the sale price.

15 WHEREFORE, the trustee prays for entry of an order authorizing the sale of the estate's
16 interest in Crybaby Productions, LLC free and clear of liens and interests.

17 DATED this 3rd day of May, 2016.

18 THE LIVESEY LAW FIRM

19 /S/ *Rory C. Livesey*

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21 Rory C. Livesey, WSBA #17601
22 Attorneys for Trustee

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MOTION FOR SALE OF LLC
INTEREST FREE AND CLEAR
OF LIENS AND INTERESTS
160426jMot Page 2

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